The Truck Engine of the 21st Century



Presented by:

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Executive V.P.
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Detroit Diesel Corporation



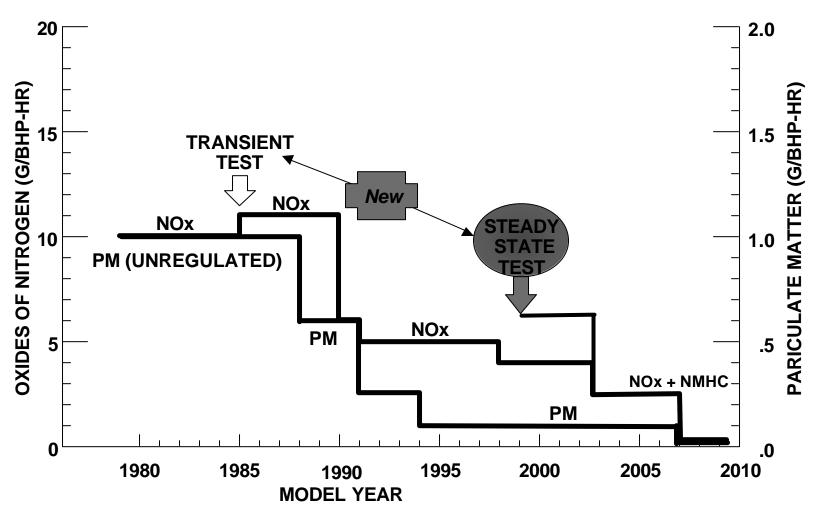
Diesel Engine Milestones

- First Practical Diesel Engine Built by MAN 1893
- Solid Fuel Injection Systems
 - Bosch Type of Individual Pump Early 1920's
- Turbocharging
 - Early Work of Alfred Buchi 1911
- Electronic Control of Fuel Injection
 - Detroit Diesel 1985 DDEC





DDEC was Needed to Meet the Ever More Stringent Emissions Standards





Less than 10 Years Ago

- Fleets wereSatisfied with...
 - 4.5 mpg at55 to 60 mph



350,000 Miles to Overhaul



Today

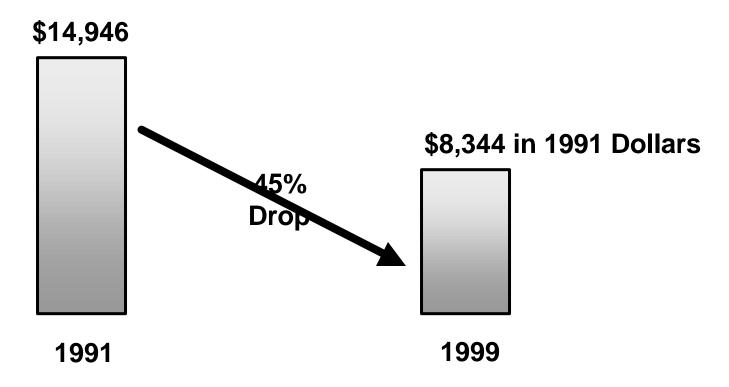
- Fleets Want ...
 - -6.5 to 7 mpg at 65 to 70 mph
 - -1,000,000 Miles to Overhaul
 - Lower Operating Costs





Class 8 Tractor Parts Consumption

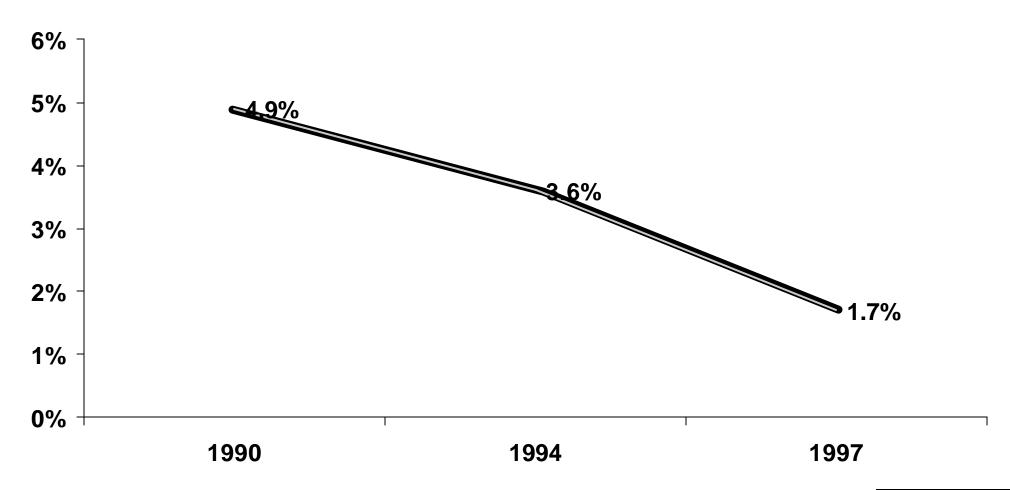
First Five Years of Use



Source: Mackay & Co.



Motor Carrier Maintenance Expense As a Percent of Total Expense



Source: Mackay & Co.



The "Engine" of the Future

- Diesel-Electric Hybrid
- Fuel Cells
- Reformulated Diesel Fuel
- Other Fuels Methanol,
 Gasoline, Hydrogen

The Diesel Engine Remains the Most Thermodynamically Efficient Power Plant and...





There is No Advanced Product Feature / Benefit Available that is Not Already Available on a Series 60

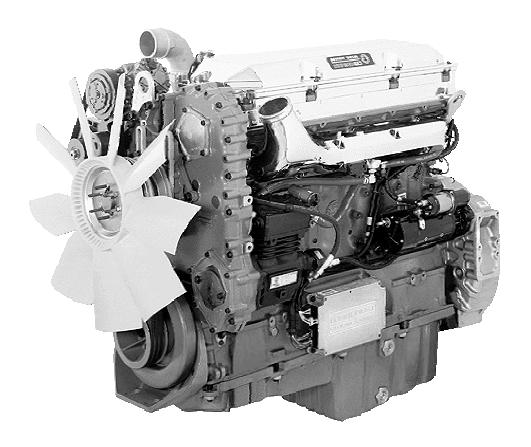






Series 60 1850 Engine

Now Being Demonstrated in Two U.S. Army Trucks





Our New Maintenance Alert System





Corporate Profile

- DDC Just Invested in Terion
 - Mobil Messaging
 - Tractor Locator
 - Automated DispatchSystem
 - Untethered Trailer Tracking
 - Uses Low Cost, Proprietary
 FM Frequency in Place of
 Satellite or Cellular

FleetView...



Detroit Diesel Remanufacturing - Facilities

Revenues - \$200 Million /





DDR West - Tooele



DDR East - Cambridge



DDR North - Grand Rapids



DDR Central - Emporio

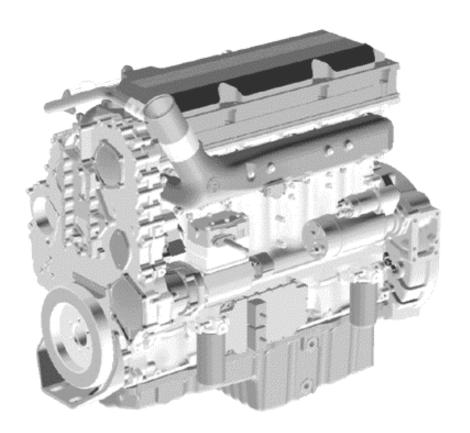
Which Engine Will You be Using for the Next Seven Years?





It will Be an Enhanced Series 60 Start of Production October 2002

- Improved Fuel System
- New Braking System
- Exhaust Gas Recirculation
- New Electronics
- New Manufacturing Processes





Is This New Technology Proven?

- Cooled EGR
 - DDC Holds a Patent
 - DDC Already has Production Engine with EGR
 - Year 2000 S50 Bus Engine will Include Cooled EGR
- Common Rail Fuel System
 - The DELTA and VECTER Engine have Common Rail
 - The DDC/MTU Series 4000 Engine has Common Rail
 - Five DDC Cento Engine Families will have Common Rail in 2000
- Variable Geometry Turbochargers
 - Standard on Year 2000 Coach Engines
- DDEC Electronics
 - DDEC V will be Our Fifth Generation of Electronics



What About 2007 and Beyond?

- The Diesel Engine will Still Be the Power of Choice, Worldwide, with the Following Enhancements
 - Aftertreatment for NOx
 - Aftertreatment for Particulates
- Both will Require Low Sulfur Diesel Fuel



The Diesel Engine After That?

 Detroit Diesel has Submitted a Proposal to DOE to Participate in the NZ50 Initiative

"Near Zero Emission - 50% Thermal Efficiency"

The Base Engine?

The Series 60

